

**FILED**

SEP 10 2010

STATE BAR COURT
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LOS ANGELES

STATE BAR COURT OF CALIFORNIA
HEARING DEPARTMENT – LOS ANGELES

In the Matter of)	Case Nos.: 05-O-03000; 06-O-13379;
)	06-O-13586; 06-O-13933
KHOSRO REGHABI)	06-O-14570
)	
Member No. 206339)	ORDER GRANTING RELIEF FROM
)	OBLIGATION TO PAY DISCIPLINARY
A Member of the State Bar.)	COSTS
)	

On August 19, 2010, Respondent filed a motion seeking relief from and/or extension of time within which to pay the disciplinary costs in the above entitled matters. In his moving papers, he argued that the costs and economic consequences of the two recent State Bar proceedings against him were unfair and have resulted in his being financially unable to pay the previously ordered costs. He asks that such costs be waived, in whole or in part, and/or that his obligation to pay them be extended.

On August 27, 2010, the State Bar filed an opposition to Respondent's motion. In response to Respondent's complaints regarding the State Bar's pursuit of charges against him, the State Bar requested that this court take judicial notice of its own records in the captioned matters (hereinafter "05-matter") and also of its records in Case No. 07-O-13558 (which includes Case No. 08-O-12255). That request is granted.

In reviewing the record of the "05-matter" and the stipulation in Case No. 07-O-13558, the court notes that there is substantial justification for Respondent's complaint that the State Bar's handling of these matters has resulted in unnecessarily high costs being awarded against Respondent.

In the "05-matter", Respondent was originally charged with fifteen counts of misconduct. Well prior to both the pretrial conference and trial, Respondent stipulated to culpability of a single count of violating rule 3-110(A) with respect to one client. The State Bar agreed that the remaining five counts regarding that one client would be dismissed. Respondent denied any culpability with regard to any of the charges in the other client matters. Those disputed charges then went to trial, with this court eventually finding in Respondent's favor on all of the contested charges. Had the State Bar resolved the case when Respondent admitted culpability on the one count and justifiably denied culpability on all others, Respondent's liability for costs in the matter would have been calculated based on a settlement occurring before any pretrial statements

were filed, rather than after a multi-day trial. In effect, the State Bar's decision to require Respondent to defend all of the contested charges, which he did successfully, had the effect of increasing the State Bar's entitlement to costs, even though it lost all of those charges.

The State Bar's late filing of Cases-Nos. 07-O-13558 ("07-matter") and 08-O-12255 ("08-matter") also had the effect of increasing its apparent entitlement to costs. Those cases were not initiated by the State Bar until after it received the unfavorable decision in the "05 matter". The State Bar easily could have been included in the "05 matter", which was not filed until December 18, 2007. The NDC in the "05 matter" was amended several times during the pendency of the proceeding and did not go to trial until August 2008. The "07-matter" was based on allegations that Respondent allowed the fee he had earned on a settlement received in February 2006 to remain in his client trust account for 41-days, in violation of the rule against commingling. The "08-matter" was generated by a fee dispute based on events occurring in 2003. The cases were resolved when Respondent stipulated to culpability with regard to one of the counts in the "07-matter." The State Bar requested dismissal of the "08-matter", stating that the case had devolved into a fee dispute based on events occurring in 2003, and that "the client knowingly waived his right to arbitrate or litigate that dispute as of no later than December 24, 2007." Respondent cannot be criticized by the State Bar for his expressed unhappiness that the matter was nonetheless filed against him by the State Bar well more than a year after that date.

As part of the stipulation resolving the "07" and "08" matters, the State Bar indicated that it intended to seek additional costs against Respondent of approximately \$4,920. Had the State Bar included those matters in the "05-matter", Respondent's liability for costs would have been substantially lower. It goes without saying that Respondent's expense of defending the two various matters would also have been substantially less had all of the cases been joined by the State Bar in a single, consolidated proceeding.¹

Turning to the merits of the pending motion, good cause exists to grant relief to Respondent from the costs previously ordered to be paid. Given the showing of financial hardship, special circumstances and other good cause, the court orders as follows:

The amount of the costs awarded against Respondent in the captioned cases is reduced to \$3,654.² In addition, the time for Respondent to pay such costs is extended as follows: Beginning January 1, 2011, Respondent must pay a minimum of \$456.75 per calendar quarter for the following two years or until the entire \$3,654 is paid, whichever occurs earlier. These quarterly installment payments are due no later than the 10th day of each January, April, July, and October. (Thus, Respondent's first installment payment is due no later than January 10, 2011.). (Bus. & Prof. Code, § 6086.10, subd. (c); Rules

¹ Any practice by the State Bar of filing seriatim charges against a member, rather than adjudicating all pending charges at the same time where reasonable possible, is to be discouraged. Such a practice is wasteful of the resources of this court and is unfair to the member. The issue of the appropriate amount of costs in the 07-matter, however, is not currently before this court.

² This figure reflects the standard cost assessment determined by the Board of Governors and posted on the State Bar's website for the resolution of a single matter involving culpability prior to the filing of pretrial statements.

Proc. of State Bar, rule 282.) Respondent must submit his payments directly to the State Bar's Membership Billing Office in San Francisco and he must promptly submit proof of each such payment to the State Bar's Office of Probation in Los Angeles. If Respondent fails to pay any installment payment during or before the 10-day period following its due date without the prior written approval of the State Bar's Office of Probation, the remaining unpaid balance of the costs is due immediately and is enforceable both as provided in Business and Professions Code section 6140.7 and as a money judgment.

IT IS SO ORDERED.

Dated: September 10, 2010

A handwritten signature in dark ink, appearing to read "Donald F. Miles", written over a horizontal line.

DONALD F. MILES
Judge of the State Bar Court

CERTIFICATE OF SERVICE

[Rule 62(b), Rules Proc.; Code Civ. Proc., § 1013a(4)]

I am a Case Administrator of the State Bar Court of California. I am over the age of eighteen and not a party to the within proceeding. Pursuant to standard court practice, in the City and County of Los Angeles, on September 10, 2010, I deposited a true copy of the following document(s):

ORDER GRANTING RELIEF FROM OBLIGATION TO PAY DISCIPLINARY COSTS

in a sealed envelope for collection and mailing on that date as follows:

- ☒ by first-class mail, with postage thereon fully prepaid, through the United States Postal Service at Los Angeles, California, addressed as follows:

**KHOSRO REGHABI
315 S BEVERLY DR STE 404
BEVERLY HILLS, CA 90212**

- ☒ by interoffice mail through a facility regularly maintained by the State Bar of California addressed as follows:

MELANIE LAWRENCE, Enforcement, Los Angeles

I hereby certify that the foregoing is true and correct. Executed in Los Angeles, California, on September 10, 2010.



Tammy Cleaver
Case Administrator
State Bar Court